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# State of Utah Department of Commerce Division of Securities

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## NEWS RELEASE

### BEER PROMOTER CONVICTED OF SECURITIES FRAUD, MUST REPAY VICTIMS

December 9, 2005. . . Salt Lake City, UT. Francine A. Giani, Executive Director of the Utah Department of Commerce announced today that Angelo M. Degenhardt pleaded guilty to securities fraud in federal court, in a securities fraud case referred by the Utah Division of Securities. Degenhardt, from Sandy, Utah, was ordered to pay restitution of \$3,840,500.00.

Beginning in 1999, Degenhardt solicited money from investors in Utah and California for a company called Ganter USA. Degenhardt was president of Ganter and told investors that Ganter brewed beer and had bought a pub in Park City. He said the money being raised would be used to take the company public and investors would earn high profits after the company sold its stock to the public. He promised investors they could get their money back at any time. However, Degenhardt failed to tell investors about tax liens and multiple judgments that had been entered against him for unpaid bills in connection with prior business ventures. He also failed to provide any financial statements for the company. In some cases, he solicited additional money from investors by falsely claiming their stock already had tripled in value.

The U.S. attorney first filed this criminal case against Degenhardt in 2003. The court sentenced him to five years probation, including six months of home confinement, and ordered him to make monthly restitution payments.